## NATIONAL RECOVERY ADMINISTRATION

# AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

# LUMBER AND TIMBER PRODUCTS INDUSTRY

AS APPROVED ON MARCH 30, 1934





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#### Approved Code No. 9-Amendment No. 6

### AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

# LUMBER AND TIMBER PRODUCTS INDUSTRY

As Approved on March 30, 1934

#### ORDER

Approving Amendments of Code of Fair Competition for the Lumber and Timber Products Industry

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act approved June 16th, 1933, for approval of amendments to the Code of Fair Competition for the Lumber and Timber Products Industries, and hearing having been held thereon and the annexed report on said amendments, containing findings with respect

thereto having been made and directed to the President;

NOW, THEREFORE, On behalf of the President of the United States I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order number 6543—A, dated December 30th, 1933, and otherwise, do hereby incorporate by reference said annexed report and do find that said amendments and the Code as constituted, after being amended, comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendments be and are hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety, as amended; provided that:

1. This approval and said amendments shall not become effective for a period of fifteen (15) days after the date hereof, in order that consideration may be given the objections thereto, if any, of interested parties; at the expiration of such period this Order shall become effective unless I, by my further order, otherwise determine.

2. Within ninety (90) days after the date hereof, the Railway Tie Association and the Lumber Code Authority shall make further study and investigation with a view to determining whether the constitution of the Coordinating Committee and the Subdivision Administrative Agencies of the Railroad Cross Tie Division are truly representative of the Railroad Cross Tie Division in the respective Districts and shall report to me the results of such studies and such other information as I may request prior to the expiration of such ninety day period; and

3. Within one hundred twenty (120) days after the date hereof the constitution of the Coordinating Committee and the Subdivision Administrative Agencies shall be reviewed by me and may be modified by my further order, if I should determine that such Committee and Agencies are not truly representative and in other respects do not comply with the provisions of the National Industrial Recovery Act.

Hugh S. Johnson, Administrator For Industrial Recovery.

Approval recomended:

A. R. GLANCY, Division Administrator.

Washington, D.C., *March 30*, 1934.

#### REPORT TO THE PRESIDENT

The PRESIDENT,

The White House.

Sir: On August 19, 1934, you approved a Code of Fair Competi-

tion for the Lumber and Timber Products Industries.

This is a report on a Hearing on Amendments No. 38, 39, 40 and 41 to that Code, conducted in the Oak Room of the Raleigh Hotel, on February 2, 1934. The Amendments contemplate the establishment of a Railroad Cross Tie Division of the Lumber and Timber Products Code, and were presented by representatives of the cross tie industry said to represent fifty percent of the volume of wooden railroad cross ties manufactured and distributed in the United States.

In 1928 approximately 53,000 workers were employed in the railroad cross tie industry and the sales for that year were estimated at 85,000,000 ties. In 1933 the production was estimated at 40,000,000 ties and only 30,000 men were employed in the production processes. Accurate information concerning the minimum wages now paid in the industry is missing, but the evidence indicates that minimum wage scales have been decreased to a level insufficient to maintain decent standards of living. The Amendments correlate the wages and hours of those employed in the cross tie industry with those who are engaged in similar occupations now under the jurisdiction of the Lumber and Timber Products Code. The Amendments will also make subject to the conservation provisions of the Lumber and Timber Products Code many wood lots that are now exempt. The administrative agencies for this Division are organized in accordance with geographical and specie divisions.

The Deputy Administrator in his final report to me on said Amendments to said Code having found as herein set forth and on

the basis of all the proceedings in this matter;

I find that:

(a) The Amendments to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restrictions of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving

unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Amendments and the Code as amended are not designed

to and will not permit monopolies or monopolistic practices.

(c) The Amendments and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(d) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of

said Amendments.

(e) The evidence intended to show that the representatives of the industry submitting the Amendments and the administrative agencies established by the Amendments are truly representative of the manufacture of wooden railroad cross ties is not conclusive, and a final determination cannot be made until additional statistical data is collected.

For these reasons, the Amendments have been approved for a trial period of one hundred twenty days, during which time the industry shall submit to me such reports and information as I may request in order to obtain facts and evidence from which a final determination of the representative character of the administrative agencies established by these Amendments can be made.

Respectfully,

Hugh S. Johnson, Administrator.

March 30, 1934.

# AMENDMENT TO CODE OF FAIR COMPETITION FOR THE LUMBER AND TIMBER PRODUCTS INDUSTRY

AMENDMENT NUMBER 38: In Article VII, Subsection (d) at the

end of the paragraph headed "Western Pine" after the line "South of 38 deg. North latitude\_\_\_\_24", add the following:

"Railroad Cross Tie\_\_\_\_The minimum wage in this Division shall be not less than that hereinabove specified for employees in other Divisions and Subdivisions of this Code in the same region or locality performing work similar to that performed by employees in this Division."

AMENDMENT NUMBER 39: In Schedule A at the end of Section 38,

add the following new Subsection:

# "39. RAILROAD CROSS TIE DIVISION

"Division—(Article II (c)): The Railroad Cross Tie Division consists of manufacturers and distributors of railroad cross ties.

"Products—(Article II (a)): Railroad cross ties of all species of wood, either sawed or hewn, but excepting the preservative treatment of railroad cross ties.

" Administrative Agencies—(Article III):

"(a) Subdivisions.—The Railroad Cross Tie Division shall be

composed of the following subdivisions:

"District No. 1. Northeastern Subdivision, which includes the States of Maine, Vermont, New Hampshire, Massachusetts, Con-necticut, Rhode Island, New Jersey, New York, Delaware and Pennsylvania.

"District No. 2. North Central Subdivision, which includes the

States of Indiana, Ohio and Illinois.

"District No. 3. Appalachian Subdivision, which includes the States of Maryland #1, Virginia #1, West Virginia, North Carolina #1, Kentucky #1, South Carolina #1, Tennessee #1 and Georgia #1.

"District No. 4. Northern Subdivision, which includes the States of Michigan, Wisconsin, Minnesota, North Dakota, Nebraska and

Iowa.

"District No. 5. Southern Subdivision, which includes the States of Arkansas, Missouri, Oklahoma, Maryland, #1, Virginia #1, Texas, Georgia #1, Florida, North Carolina #1, Kentucky #1, Alabama, Louisiana, Mississippi, Kansas, South Carolina #1 and Tennessee #1.

"District No. 6. Western Subdivision, which includes the States of Idaho, Montana, Wyoming, Utah, Colorado, Nevada, New Mexico

and Arizona.
"District No. 7. West Coast Subdivision, which includes the States of Washington, Oregon and California.

"Note #1.—States designated #1 are in two Districts. Group 3 includes Appalachian Territory and Group 5 includes Southern

Hardwood Subdivision as defined in this Code.

"(b) Subdivision Administrative Agencies.—The Subdivision Administrative Agencies in the respective subdivisions for each District shall consist of a committee of three (3) members in Districts number 1, 2, 4, 6, and 7, and a committee of six (6) members in Districts number 3 and 5. In Districts number 1, 2, 4 and 6, one member of each committee shall be selected by members of the Railway Tie Association in each such District; two members shall be elected by manufacturers and distributors of railroad cross ties in each such District who are not members of the Railway Tie Association: such elections to be conducted within twenty days after the effective date hereof by the appropriate division or subdivision agency or agencies of the Lumber Code Authority in the same region or locality, provided that:

"(1) In Districts number 3 and 5 the Subdivision Administrative Agencies shall consist of six (6) members, four of whom shall be selected by the members of the Railway Tie Association in each District, and two of whom shall be elected by manufacturers and distributors of railroad cross ties in each District who are not members of the Railway Tie Association; such elections to be conducted within twenty days after the effective date hereof by the appropriate Division or Subdivision Agency of the Authority in the same region

or locality:

"(2) The Subdivision Administrative Agency in District number 7 shall consist of three (3) members, all of whom shall be elected by manufacturers and distributors of railroad cross ties in that District who are not members of the Railway Tie Association; such election to be conducted within twenty days after the effective date hereof by the appropriate Division or Subdivision Agencies of the Authority in the same region or locality;

"(c) Railroad Cross Tie Coordinating Committee.—A Railroad Cross Tie Coordinating Committee shall be established by the above

Subdivision Administrative Agencies as follows:

"Six (6) members of the Coordinating Committee shall be elected by fair and reasonable methods by manufacturers and distributors of railroad cross ties in Districts number 3 and 5, five of whom shall be members of the Railway Tie Association and one of whom shall be a non-member of the Railway Tie Association; one member shall be selected by the Administrative Agency for the District number 7; one member shall be selected by the Administrative Agency for District number 1; 2 members shall be selected by the Administrative Agency for District number 6, one of whom shall be a member of the Railway Tie Association and one of whom shall be a non-member of the Railway Tie Association; and the Administrative Agencies of Districts number 2 and 4 shall jointly select one member who shall be a non-member of the Railway Tie Association.

"(d) The Coordinating Committee is authorized to make such rules and regulations as may be necessary to administer the Code in this Division and may designate and authorize such agencies as may

be necessary for this purpose.

"(e) The provisions of Articles VIII and IX of this Code shall not be operative with respect to any subdivision of this Division until such time as the Administrative Agency for that subdivision shall have made application to and secured the approval of the Authority. Until such time as the Coordinating Committee is duly organized an application for the operation of Articles VIII and IX may be made by the subdivision Administrative Agency direct to the Authority."

AMENDMENT No. 40: In Article XVI add:

"Subsection (d). The provisions of Schedule B shall be inoperative with respect to the Railroad Cross Tie Division until such time as the Coordinating Committee of that Division shall submit and secure the approval of appropriate rules of fair trade practice for that Division."

AMENDMENT No. 41: In Schedule A, in the section headed "Hardwood Division", in the paragraph defining "Products", strike out

"sawn ties."

Approved Code No. 9—Amendment No. 6. Registry No. 313–1–06.

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